

ModernGraham Valuation

Company Name:

Company Ticker SUPN

Date of Analysis

8/30/2018

Supernus
Pharmaceuticals Inc



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$2,246,336,172	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.74	Pass
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	21.91%	Fail
5. Earnings Growth	PEmg < 20	33.72	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	6.04	Fail
7. Moderate Price to Assets			

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	2.74	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	1.78	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Fail
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.29
MG Growth Estimate	15.00%
MG Value	\$49.67
MG Value based on 3% Growth	\$18.71
MG Value based on 0% Growth	\$10.97
Market Implied Growth Rate	12.61%

MG Opinion

Current Price	\$43.50
% of Intrinsic Value	87.59%
Opinion	Fairly Valued
MG Grade	D+

Stage 3: Information for Further Research

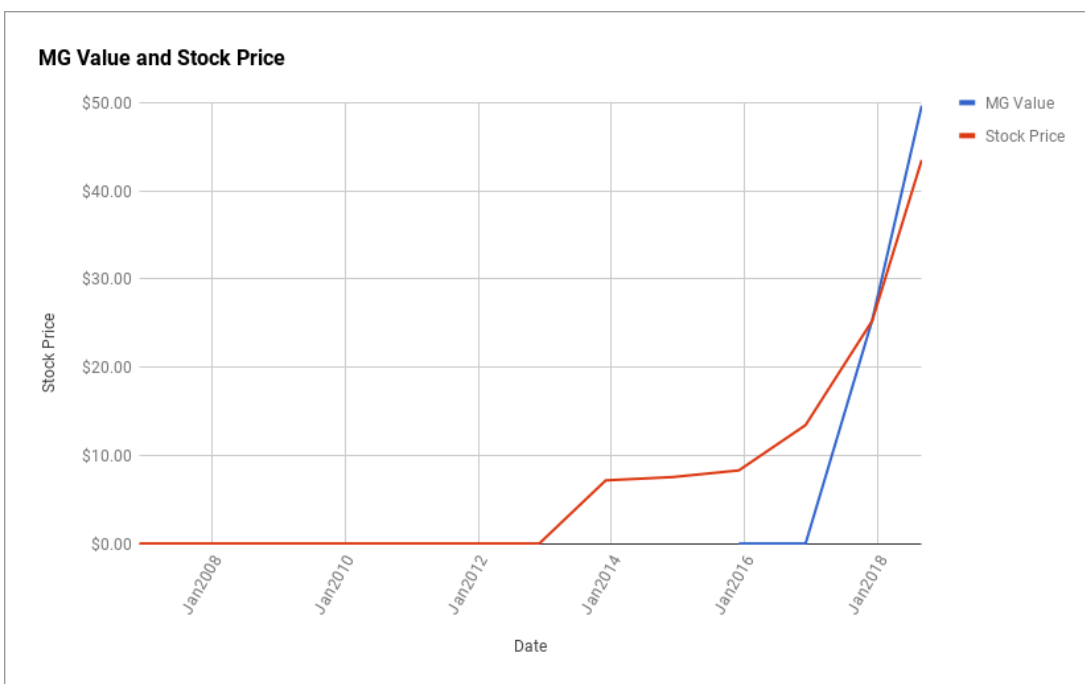
Net Current Asset Value (NCAV)	-\$3.28
Graham Number	\$14.89
PEmg	33.72
Current Ratio	2.74
PB Ratio	6.04
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

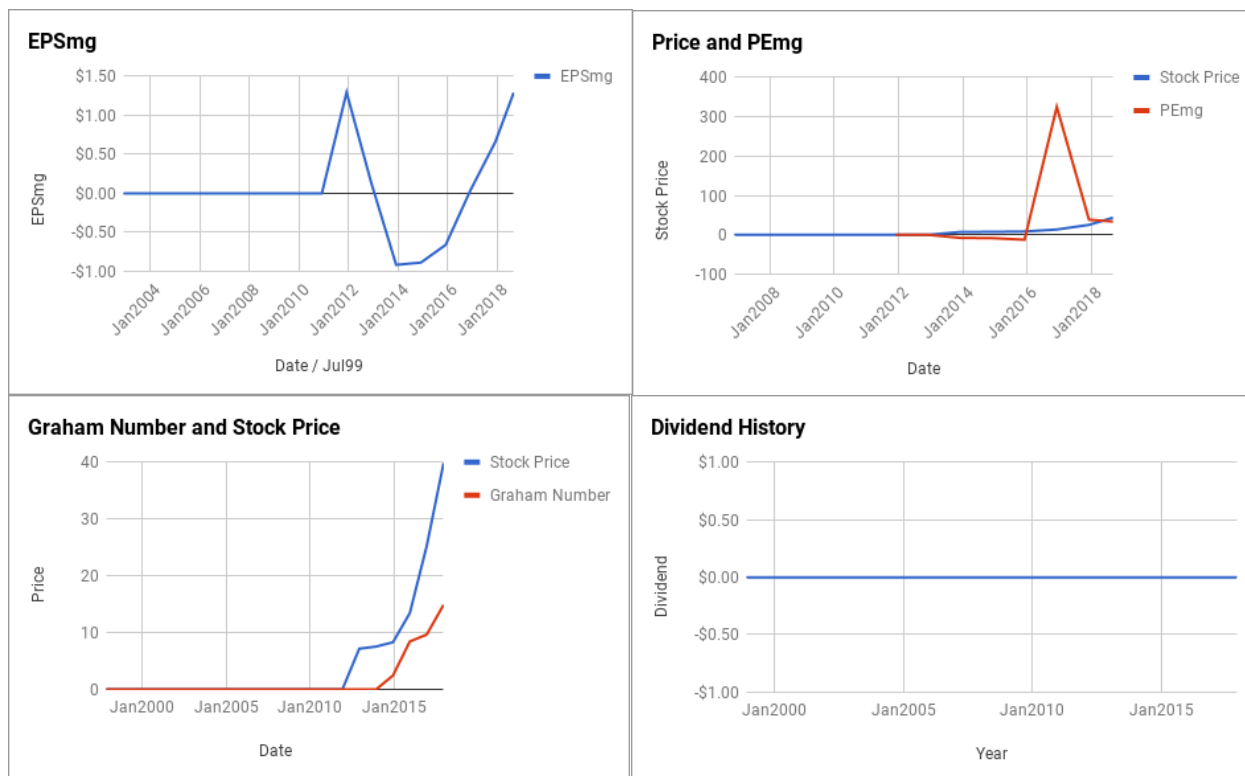
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EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
	\$1.89		\$1.29
Dec2017	\$1.08	Dec2017	\$0.66
Dec2016	\$1.76	Dec2016	\$0.04
Dec2015	\$0.28	Dec2015	-\$0.66
Dec2014	-\$0.26	Dec2014	-\$0.89
Dec2013	-\$2.90	Dec2013	-\$0.92
Dec2012	-\$2.72	Dec2012	\$0.13
Dec2011	\$3.88	Dec2011	\$1.29
Dec2010	\$0.00	Dec2010	\$0.00
Dec2009	\$0.00	Dec2009	\$0.00
Dec2008	\$0.00	Dec2008	\$0.00
Dec2007	\$0.00	Dec2007	\$0.00
Dec2006	\$0.00	Dec2006	\$0.00
Dec2005	\$0.00	Dec2005	\$0.00
Dec2004	\$0.00	Dec2004	\$0.00
Dec2003	\$0.00	Dec2003	\$0.00
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Balance Sheet Information	
Dec2000	\$0.00	6/1/2018	
Dec1999	\$0.00	Total Current Assets	\$284,516,000
Dec1998	\$0.00	Total Current Liabilities	\$103,934,000
		Long-Term Debt	\$321,920,000
		Total Assets	\$852,799,000
		Intangible Assets	\$33,794,000
		Total Liabilities	\$462,307,000
		Shares Outstanding (Diluted Average)	54,203,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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